

Case No.
6706

Large Exhibits



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Case No. 4706
Order No. R-5878-A

(4) That by its Order No. R-1670-T, entered November 14, 1974, and its Order No. R-1670-V, entered May 22, 1979, the Division authorized the drilling of infill wells on the undrilled quarter-section constituting one-half of an existing 320-acre gas proration unit in the Blanco-Mesaverde Pool and Basin Dakota Pool, respectively, in San Juan and Rio Arriba Counties, New Mexico.

Subsequent

(5) That in each case it was found that the reservoir was not being efficiently and economically drained by the existing wells on the proration units therein.

(6) That in each case it was found that the infill drilling was necessary to increase the recovery of gas from the pool and from each proration unit within the pool.

(7) That infill wells drilled within said Blanco-Mesaverde Pool and the Basin-Dakota Pool pursuant to said Orders No. R-1670-T and R-1670-V should qualify for Section 103, New Onshore Production Well, price category determinations under regulations of the Federal Energy Regulatory Commission.

(8) That said Special Rules for Applications for Wellhead Price Ceiling Category Determinations are not sufficient to permit approval by the Federal Energy Regulatory Commission of applications filed thereunder.

(9) That to rectify this insufficiency said Special Rules should be amended by redesignating existing Rule 15 as Rule 15 A, and adopting new Rule 15 B as embodied in Exhibit A attached hereto.

(10) That Section 3 of said Rule 15 A should be amended to read in its entirety as follows:

"3. Copy of Division order authorizing an infill well drilling program on a poolwide basis, if any, or authorizing the drilling of an infill well under Section 271.305 of the FERC HCPA regulations. (For infill wells in the Blanco-Mesaverde or Basin-Dakota Pools, see Rule 15B.)"

(11) That the first paragraph of Section 3 of the proposed Rule 15 A should be amended to read in its entirety as follows:

6. If the applicant is seeking a determination with respect to a new well drilled into an existing proration unit (except in the Blanco-Mesaverde or Basin-Dakota Pools) pursuant to Sections 271.304 and 271.305 of the FERC HCPA regulations, the applicant must, in addition to the filing requirements listed in Sections 1 through 4 of Rule 15 A, file:"

